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# AGRICULTURAL COOPERATION

LEGAL, ECONOMIC, AND ORGANIZATION INFORMATION COLLECTED BY THE DIVISION OF COOPERATIVE MARKETING,  
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## PRODUCTION AND CONSUMPTION OF CANNING PEACHES

A chart in colors, which tells the story of the marketing of California cling peaches for the last eight years, has been issued by the California Canning Peach Growers, San Francisco. This chart shows production, consumption and carry over for the eight-year period, the average price per ton paid to producers, and the change in the wholesale price of canned peaches between the beginning and close of each year.

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## CHARTER MEMBERS STICK TO FLORIDA ASSOCIATION

Stability of membership is a feature of the Owanita local of the Florida Citrus Exchange, Tampa. This was one of the first local groups to be formed, being chartered in August, 1909, less than a month later than the overhead organization, and its charter members have stuck to the association through many years. Practically all the original members are still cooperating. A few have passed away but in most cases their groves are still under contract to the Exchange.

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## BEST NET RETURNS IN FIVE YEARS

Net returns to the 33 shareholders of the Leffingwell Rancho Lemon Association, Whittier, Calif., were the highest the past season for any recent year. Net returns were 4.09 cents a pound, compared with 2.76 cents for 1927, 1.9 cents for 1926, 3.62 cents for 1925, and 1.88 cents for 1924. A total of 66,938 boxes of lemons were marketed through the association. Gross receipts were \$314,156; association expenses, \$66,412; and net returns to growers, \$247,744.

The number of boxes marketed for each of the past five years and the net price per box to the growers, are as follows: 1924, 76,773 boxes, \$2 per box; 1925, 53,799 boxes, \$3.44; 1926, 55,184 boxes, \$2.40; 1927, 67,451 boxes, \$3.27; 1928, 66,938 boxes, \$3.70.

This association is one of the units of the California Fruit Growers' Exchange and sells through that organization.

GOOD YEAR FOR MUTUAL ORANGE DISTRIBUTORS

The twenty-second business year of the Mutual Orange Distributors, Redlands, Calif., was reported at the recent annual meeting as "a very successful one." With a lower yield than the previous year, and fruit not quite so attractive in general appearance, the results of sales were very gratifying and receipts totaled \$12,781,205, more than ever before in the history of the association.

The general manager comments on the fact that about every other year since 1920 something has happened to the citrus crop. In 1920-21 the Mutual Orange Distributors shipped 5,676 cars; in 1921-22 a heavy freeze reduced the crop and only 3,325 cars were shipped; in 1922-23 the total was 4,881 cars; and in 1923-24, 5,602. The following season an electric storm cut the shipments to 3,727 cars; in 1925-26, the association shipped 6,767 cars; and in 1926-27, 7,901. During the past season the weather conditions reduced the shipments to 5,704 cars.

Whereas in the past a considerable portion of the fruit shipped has been sold through the fruit auctions, only 10.1 per cent of the 1927-28 crop was marketed in this way. About 30 per cent of the fruit handled by the association was marketed through chain stores, and 38,027 boxes were shipped to foreign markets.

The association finances its marketing operations by retaining 15 cents per box on all fruit sold outside the auctions, and 8 cents per box and \$15 per car on all fruit sold at auction. During the past season this retain amounted to 14 cents per box, and the cost of selling, including advertising, totaled 13 cents per box, therefore, the association was able to refund one cent per box to the growers.

Advertising expenditures for the year amounted to \$34,197. Attractive material was put out to call attention to the "Pure Gold" and "Silver Seal" fruit. In addition to this an extensive chain store system through which the association sells much fruit, did a considerable amount of advertising without expense to the association.

Business done by the supply department amounted to \$1,114,714. A rebate of \$40,204 was made on box shoo; the sum of \$2,356 was returned on purchases of spray material, and \$1,247 on compensation insurance.

A net increase of 1,832 acres of orchard is reported for the year. Growers near Escondido have organized a new local and are building a packing house. A packing house which burned at Olive has been rebuilt with modern improvements, and a number of locals are building additions or otherwise improving their packing houses. A total of 38 packing units are included in the organization.

### A FRUIT BARGAINING ASSOCIATION

For the seventh season the California Canning Peach Growers, San Francisco, has operated as a price-bargaining association. Each season, however, it has had some fruit canned for sale by the association. On behalf of its members the association makes contracts relative to prices to be paid by the private canners for the various grades of cling peaches. The income of the association is derived from a service charge of \$1.50 a ton paid by the canners on the fruit secured from association members, and from annual dues of 25 cents a ton, deducted from a five per cent association charge. The unused portion of the five per cent charge after the payment of expenses, is transferred to a "withholdings fund" and used as a reserve for working capital.

Since its organization early in 1922, the association has increased its membership from 901 with about 10,000 acres of peach orchards to 1,390 members with 14,893 acres of orchards.

The amount of working capital in the "withholdings reserve" on November 15 last was \$195,067, made up of the amounts withheld from payments for peaches in 1925, 1926, 1927, and 1928. This special reserve was started with the marketing of the 1923 crop and the "withholdings" for that year were paid to the growers in 1927. The 1924 reserve was paid in 1928. The history of this reserve, as compiled from the balance sheets at the close of the several business years, is as follows:

Season	Withholdings	Payments
1923	\$ 31,816	March 19, 1927
1924	48,186	April 5, 1928
1925	* 54,489	Returnable in 1929
1926	* 66,442	" " 1930
1927	* 30,744	" " 1931
1928	* 43,390	" " 1932

\*As of November 15, 1928.

Approximately 58,000 tons of No. 1 canning peaches were delivered this year by members of the association to the canneries, the delivery season lasting from July 10 to September 18. Owing to low prices and the big crop only No. 1 stock was accepted. The contract price was \$20 a ton, the lowest average price in the history of the association.



CANADIAN COOPERATIVE GRAIN SALES

Gross proceeds of \$323,847,282 are reported by the Canadian Co-operative Wheat Producers, Ltd., Winnipeg, for the 1927-28 marketing season. This organization is the sales agency for the wheat pools of Alberta, Saskatchewan, Manitoba, and Ontario. Of the total amount nearly \$290,000,000 represented proceeds from wheat transactions. Coarse grain transactions were as follows: barley, \$6,159,485; oats, \$4,178,118; rye, \$3,478,331; and flax, \$2,680,982. Grain carried over from the 1926-27 season sold for \$15,548,064, and proceeds of transactions of the Ontario grain pool totaled \$2,515,825. Total transactions for the season exceeded those of the preceding year by \$9,510,159.

Wheat to the amount of 209,871,373 bushels was received from the Alberta, Saskatchewan and Manitoba pools during the 1927-28 marketing season. There was a carry over from the preceding year of 7,418,971 bushels. In addition, 5,618,190 bushels was purchased, making the total quantity of western grain marketed 222,908,534 bushels. The sales agency also marketed 18,319,009 bushels of coarse grain, i. e., barley, 6,962,331 bushels; oats, 6,808,809 bushels; rye, 3,118,579 bushels; flax, 1,429,210 bushels. The marketings for the Ontario pool included: wheat, 1,765,839 bushels; barley, 61,152 bushels; and oats, 35,523 bushels.

Wheat sales began in September of 1927 and continued into August of 1928. The portion of the total quantity sold each month was as follows: September, 6.9 per cent; October, 8.8 per cent; November, 11.3 per cent; December, 5.3 per cent; January, 6.1 per cent; February, 10.9 per cent; March, 11.5 per cent; April, 10.1 per cent; May, 7.8 per cent; June, 8.1 per cent; July, 7.6 per cent; August, 5.6 per cent.

Fifty-one per cent of the pool wheat of the prairie provinces was exported, it being shipped to 68 ports in 26 countries. In the preceding year the sales agency exported 59.3 per cent of the wheat handled. Of the wheat exported, 92.6 per cent went to Europe in 1926-27 and 90.7 per cent in 1927-28. The United Kingdom received 40.4 per cent of the exported wheat in 1926-27 and 31.5 per cent in 1927-28. France also received a smaller percentage of the total in 1927-28 than in the preceding season. The countries receiving a larger percentage in the latter season than in the former were: Belgium, Holland, Germany, and Italy. Only 6.2 per cent of the exported wheat went to China and Japan in 1926-27, while in 1927-28 these two countries received 9.2 per cent.

At the close of the last business year the sales agency had branch offices at Calgary, Vancouver, Prince Rupert, Toronto, Montreal, New York City, London, and Paris. Shipments from Vancouver and Prince Rupert amounted to 41,336,790 bushels, and shipments from United States Atlantic ports to 28,800,373 bushels.

ALBERTA WHEAT PRODUCERS START ON SECOND CONTRACT PERIOD.

The first five-year period of the Alberta Cooperative Wheat Producers, Ltd., Calgary, has been completed and a start made upon the second contract period. The association began operating October 19, 1923, with about 25,000 members controlling 2,400,000 acres of wheat. At the end of the fifth year the membership stood at 43,803 and the acreage at more than 4,000,000. Approximately 218,000,000 bushels of wheat was marketed during the period and the total turnover was in excess of \$276,000,000.

The last year of the five was the most important. A total of 71,116,189 bushels of wheat was handled with a gross turnover amounting to \$24,251,664, compared with 44,287,381 bushels and a turnover of \$54,750,984 for the preceding year. The growth of this farmer-owned marketing enterprise is indicated by the following figures:

Marketing season	Members	Area under contract	Wheat handled
	(Number)	(Acres)	(Bushels)
1923-24	* 25,601	2,416,413	34,218,980
1924-25	** 30,711	2,952,890	23,027,492
1925-26	*** 35,997	3,457,673	45,159,505
1926-27	38,460	3,650,703	44,287,382
1927-28	# 43,803	4,072,545	71,116,189
1928-29	## 35,096	4,074,771	

\* November 10, 1923; \*\* December 31, 1924;

\*\*\* December 31, 1925. # At close of business year.

## Oct. 31, 1928. Second contract.

More than 35,000 Alberta farmers with more than 4,000,000 acres of wheat land have signed the contract for the second marketing period. The average number of acres per man is 116 compared with 93 acres per member under the first contract.

One of the outstanding features of the recently held annual meeting of the association was a decision to expand the pool elevator system as rapidly as possible.

During its first year of elevator operation the association had three elevators; the second year: 42; and the third year, ending July 16, 1928, it operated 162 elevators at 160 points. These plants handled 27,044,308 bushels of grain last year which is an average of 166,940 bushels per house. In addition the elevator department operated terminal elevators at Prince Rupert and Vancouver Harbour, which handled 3,001,428 and 15,663,473 bushels respectively. Twenty-two more elevators have been bought and 128 built, making the association elevator service available at 307 points for the 1928-29 season. A new terminal at Vancouver, not fully completed, has taken in over 4,000,000 bushels so far this season.

### INCREASED COTTON DELIVERIES

Members of the Mississippi Farm Bureau Cotton Association, Jackson, Miss., are delivering much larger quantities of cotton to their association this year than ever before, according to reports from the management. A total of 58,953 bales had been delivered up to and including December 5, 1928. This was an average of 701.8 bales a day for the 84 delivery days to that date. The total number of bales received for the first 84 days of each of the preceding five seasons is as follows: 1923, 28,810 bales; 1924, 36,801; 1925, 31,320; 1926, 31,686; and 1927, 53,196.

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### NEW MEMBERS FOR STAPLE COTTON ASSOCIATION

Nearly 80 per cent more cotton is being received this year than last by the Staple Cotton Cooperative Association, Greenwood, Miss. Late in November 182,189 bales had been received, compared with 102,548 bales on the same date a year ago. Part of the increase is due to the larger crop, and part to the 398 new members who have joined the association since last season. These new members have an indicated baleage of 69,372. Of the new members 123 have been members before and are now returning to the association after having marketed outside of the organization. The management states that the present membership is the largest since the original organization sign-up.

In discussing the subject of membership in a recent issue of the association's publication, the management of the association said: "Our success depends distinctly upon the character of our membership rather than upon size. . . . We welcome to our ranks every cotton grower in the Delta who comes in good faith."

In describing the organization the management says: "This association is not organized for profit, nor is it conducted as a gainful enterprise. This is a service institution out of which not a dollar of commercial profit is derived by anybody. The only beneficiaries are the members, and their benefits are expressed in terms of service as well as money."

Among the special services rendered by the association that are mentioned are skillful classing, a highly developed sales service, and a "financial service second to none in the cotton handling business of America."

Sales offices are maintained by the association near cotton concentration points, and these offices are open every business day of the the year. that members of the organization may have opportunity for first-hand information regarding the business enterprise that they have created for marketing their cotton.



CHURCH JOINS OKLAHOMA COOPERATIVE

A church has recently become a member of the Oklahoma Cotton Growers' Association, Oklahoma City. The Waurika Church of the Nazarene is a small struggling church and its members last spring planted a field of cotton to help the financial end of the work. When the cotton was ready to sell some of the members who were members of the cotton cooperative proposed that the crop should be handled through the association. In consequence the church became a member of the organization and will ship about three bales of cotton this year as well as its future crops.

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COOPERATIVE COTTON GINS IN TEXAS

Sixteen cooperative cotton gins operated in connection with the Texas Farm Bureau Gin Company, Dallas, ginned 27,551 bales of cotton during the 1927-28 season. The number of bales turned out by the different gins varied from 724 bales to more than 3,000. Three gins turned out less than 1,000 bales each, eight gins from 1,000 to 2,000 bales each, four gins from 2,000 to 3,000 bales each and one gin more than 3,000 bales.

The total income from ginning for the 16 plants amounted to \$190,133, sales of bagging and ties amounted to \$45,236, and sale of cotton seed to \$382,959, making the total for ginning charges and for sales \$618,328.

The gin handling the largest amount of business reported \$33,533 from ginning charges and the sale of bagging and ties, and \$52,924 from the sale of cotton seed.

All but three of the sixteen gins reported net earnings as a result of the season's activities. The best showing was made by the gin handling the largest number of bales, its earnings being over \$26,000. A second gin had net earnings of more than \$14,000, and a third gin, earnings of nearly \$6,000. The total earnings for the entire group amounted to \$70,632.

Capital stock for the holding company and the sixteen gins at the close of the year amounted to \$675,000. Eight of the gins had capital stock of \$35,000 each, five gins of \$30,000 each, one of \$25,000 and one of \$20,000. The capital stock of the holding company stood at \$200,000.

Fixed assets for all the companies amounted to about \$512,670 at the close of the year. Among the items making up the total were: real estate, \$28,925; buildings and fixtures, \$150,571; machinery and equipment, \$321,607; furniture and fixtures, \$2,449; autos, \$7,044; dwellings, \$2,073. These are net figures after an allowance for depreciation.

A plan has been developed for reorganizing these gins into a single unit, the Texas Farm Bureau Gin Company, which will function as a subsidiary of the Texas Farm Bureau Cotton Association.

PACIFIC ASSOCIATION STAGES ANOTHER WOOL SHOW

More than 150 wool and mohair fleeces were entered at the Wool Show held recently and sponsored by the Pacific Cooperative Wool Growers, Portland, Oregon, as a part of its educational campaign to improve standards of western wool and mohair and to advertise their excellence. The show was held in connection with the Pacific International Livestock Exposition. The fleeces exhibited came from eight states: Oregon, Washington, Idaho, California, Montana, Wyoming, Michigan, and Arizona. In addition there were also on exhibition noncompetitive fleeces from Ohio and Australia, secured by the Pacific Cooperative Wool Growers to give growers an opportunity to make comparisons with fleeces from other parts of the world.

A representative of the U. S. Department of Agriculture judged the wools and called the show the best collection of fleeces he had ever seen.

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MINNESOTA ASSOCIATION COMPLETES SALE OF WOOL

Receipts of wool by the Minnesota Cooperative Wool Growers' Association, Wabasha, Minn., totaled more than 923,000 pounds up to December 1, compared with 614,816 pounds last year. There is a corresponding increase in the number of consignors, the figure having risen from 1,675, to 2,600. Most of the sales this year were made through the summer and fall. All wool has now been sold and the association is issuing final account sales.

The development of this association is indicated by the following figures compiled from reports issued at various times.

Clip	Number of members	Number of consignors	Wool handled  (Pounds)	Sales value
1923	19	600	350,000	\$ 150,000
1924	19	600	266,178	114,453
1925	195	1,743	544,065	235,914
1926	1,177	1,609	543,893	*195,470
1927	1,358	1,675	614,816	237,892
1928	**1,339	2,600	923,000	---

\* Estimated.

\*\* January 1, 1928.

HOW PACIFIC COAST EGGS ARE MARKETED IN THE EAST.

Special sales methods have been developed by the Pacific Egg Producers Cooperative, Inc., New York City, in marketing the eggs forwarded by its five member associations on the Pacific Coast.

Two departments have been created. The city sales department serves New York City and points within a radius of 50 miles, and the district sales department attends to all other territory, including foreign shipments. The management reports that more than half of the eggs are sold in the New York territory to jobbers, wholesalers, chain stores and through auctions. Approximately 50 per cent of the New York receipts are now sold to chain stores, usually in straight car loads to be placed on their sidings.

For the convenience of the small buyer the association maintains an auction five days a week, usually from August to March, and these auctions have an average attendance of nearly 100. The buyers have opportunity to inspect samples before bidding. The association, however, reserves the right to protect the goods by bidding if the prices are not satisfactory. When this system was first started in 1914, it proved a means of selling 61 per cent of the receipts. Since that time the percentage of eggs sold at auction has decreased year by year, as larger and larger quantities are sold in cartlots. In 1925-26 the percentage dropped to 36; in 1926-27 only 29 per cent of the eggs were sold at auction; and in 1927-28, 15 per cent.

The growth of this sales agency is indicated by the following figures showing quantity of eggs handled and sales value:

Year	Eggs handled (Cases)	Value
1923	373,743	\$ 3,342,158
1924	501,596	5,104,488
1925	729,006	8,225,421
1926	906,551	11,307,967
1927	1,216,088	14,083,735
1928*	* 708,065	* 8,020,350

\* First six months.

With the increasing business the association has gradually been extending its territory until PEP eggs are now sold in nearly every state east of the Mississippi River. Branch offices are maintained in a number of the larger cities. Within the last year shipments have been successfully forwarded to London and to Argentina.

A subsidiary, the Sunrise Egg Producers Cooperative, Inc., has been set up to handle individually stamped eggs in cartons.



### COOPERATIVE OPENS TOBACCO WAREHOUSES

Warehouses of the Burley Tobacco Growers' Cooperative Association, Lexington, Kentucky, were opened early in December and the association management urges the members to sell through their own warehouses where their interests will be safeguarded. This will also help to make their warehousing corporation stock more valuable. The Burley crop is reported to be the best in years and the stocks held in manufacturers' warehouses to be limited, giving a prospect for good prices for the best grades.

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### MARKETING HONEY IN INTERMOUNTAIN STATES

Honey marketing conditions improved somewhat last year in the intermountain states, largely because of the organization of the Mountain States Honey Producers' Association, Boise, Idaho, according to a statement of the Wyoming state entomologist. Producers received an average price of 7½ cents a pound which was one cent above the average in 1926. All except a few of the commercial producers in Wyoming are now marketing their honey through the association. Conditions are reported to be still unsatisfactory with the outlook for the future somewhat more favorable.

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### NEW TYPE OF COOPERATIVE SERVICE

Cooperative buying, cooperative marketing, cooperative processing, cooperative financing, and cooperative insurance, are the five phases of the joint cooperative program announced by the Mississippi Farm Bureau Cotton Association and the Mississippi Farm Bureau Federation. The new program, it is announced, has been subscribed to and is being supported by the extension service of the State Agricultural College, the teachers of vocational agriculture, and the State Department of Agriculture, as well as the cotton association and the farm bureau.

The detailed program includes the placing of a cotton classifier and business executive in each county. This man will serve as a representative of the cotton association; will assist the county farm bureau in the distribution of fertilizers, insecticides, and seeds; will also aid the farm bureau in assembling and marketing the surplus crops of the county; and will keep the business records for the various enterprises undertaken in a cooperative way. As agent for the cotton association this man will receive and class cotton, handle the advances, and where cotton is placed in the daily pools will make settlement in full with growers.



NEBRASKA FARMERS BUY OIL COOPERATIVELY

Nebraska farmers continue to buy gasoline and oil cooperatively and there are now 60 cooperative oil associations in the state, thirty of which are affiliated with the Nebraska Farmers' Union Cooperative Oil Association. This association buys gas and oil on specifications only and sells under the trade name "Farmers' Union Gas." In the three months, July to September the association purchased 203 cars of gas and oil for its member units. At present the management is considering the establishment of a refinery, and has secured estimates of the costs.

All the local groups are capital stock associations, issuing stock in \$10 shares with a limit of 50 shares to an individual. Interest on stock is limited and earnings are distributed as patronage dividends. Each member has one vote only.

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IDAHO FARMERS HAVE SUPPLY ASSOCIATION

When the Farmers' General Supply Company, Sandpoint, Idaho, started in business in March, 1916, it had cash capital to the amount of \$339 and \$130 in notes. One year later the stock outstanding amounted to \$1,200, and in another year it reached \$6,000. In 1920 the share capital was increased from \$10,000 to \$25,000, and in 1926 it was again increased to \$25,000 common stock and \$25,000 preferred. About half of the stock is still unsold, giving opportunity for further expansion.

Progress was up-hill work for some time. The company lacked not only capital, but also a place of business, business acquaintances, and friends. A report contains this comment, "The only real asset the company had was the standing, prestige and personality of its officers." It was able to establish credit and made sales of nearly \$1,600 the first year. In 1917 the sales grew to \$25,000; in 1918 to \$49,000; 1919, \$90,000; 1920, \$145,000; and in 1921, \$160,000. With the slump in prices the sales dropped to \$109,000 in 1922 although the quantity of goods sold was nearly as great. The 1923 business amounted to \$101,840; 1924, \$102,598; 1925, \$115,617, 1927, \$135,000.

The by-laws provide for interest on share capital and for patronage dividends. The first payment was made in 1918 and covered interest on capital from the time of subscription to June 1, 1918. Eight per cent interest was paid in 1919 and 1920. In the latter year a trade dividend of \$5,000 was paid in stock. No dividends were paid in 1921 and 1922, but have been paid regularly since that year, two 8 per cent dividends on stock being paid in 1925.

The company owns an elevator, a warehouse and a store with the necessary equipment, having a value of over \$20,000, and with the stock of goods on hand the net worth is over \$33,000. There are 135 shareholders.

A FARMERS' UNION ENTERPRISE IN MINNESOTA

From June 1, 1927, to September 30, 1928, the Farmers' Union Exchange, St. Paul, Minn., transacted business amounting to \$569,904. This cooperative was only organized in the spring of 1927. One of its first efforts was in connection with the handling of binder twine and this proved a successful venture. During the 1928 season the Exchange sold more than 6,000,000 pounds of twine and has now entered into a contract to take the entire output of a factory for the 1929 season. The Exchange is now distributing dairy, pig, and chicken feeds, and is operating its own mixing plant.

A campaign has been launched to establish a chain of bulk oil stations with the Exchange serving as a wholesale purchasing agency.

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CANADIAN STORE SOCIETY HAS BUSY HALF YEAR

One of Canada's biggest cooperative stores, as well as one of the oldest is the British Canadian Cooperative Society, Ltd., of Sydney Mines and Glace Bay, N. S. Its 44th semiannual report for the half year ending August 1, 1928, shows sales amounting to \$824,108, which was \$23,933 more than in the corresponding period of 1927, a gain of nearly \$1,000 a week. Net earnings totaled \$88,750. From this were deducted certain sums for patronage dividends for the first quarter, and for liabilities, leaving a net balance of \$44,208 for the 88th quarter. Of this amount, \$43,844 was distributed to members in the form of an 11 per cent dividend on purchases, \$208 went to nonmembers as a 5½ per cent patronage dividend, \$56.70 was placed in the reserve fund, and \$100 in the educational fund.

The various branches and departments of the society contributed to the total sales for the half year in the following amounts; Central store at Sydney Mines: grocery, \$185,141; dry goods, \$37,811; meat, \$29,511; tailoring, \$4,541; men's wear, \$14,839; Branch No. 1, \$71,148; Branch No. 2, \$35,893; Branch No. 3, \$51,740; Branch, No. 4, Glace Bay: grocery, \$258,233; dry goods, \$61,364; meat, \$73,845.

At the end of the six months the society had share capital to the amount of \$181,079; the reserve fund contained \$52,825; the educational fund, \$474; and the thrift fund, \$6,014. The membership at the close of the term stood at 3,302.

Members' investment in their organization is reported as follows: Central, \$133,810; Branch No. 1, \$19,756; Branch No. 2, \$7,986; Branch No. 3, \$11,377; Branch No. 4, \$119,066, a total of \$291,995.

MINNESOTA OIL CO-OP CELEBRATES FIRST BIRTHDAY

In its first year of operation, ending October 31, 1928, the Kanabec County Cooperative Oil Association, Mora, Minn., made sales to the amount of \$54,434, with gross earnings of \$14,542. Expenses amounted to \$8,329, and various items on both sides of the account brought the net earnings to \$5,135.

Many shareholders and other interested persons attended the first annual meeting of the organization on December 3. They greeted with approval the announcement that the association would pay a 4 per cent refund on all purchases made during the past year, shareholders or not. In the case of persons who do not own a share of stock the amount due for refund will be applied toward payment for such a share.

During the year the association received 28 cars of gasoline and 5 cars of kerosene. In terms of gallons the sales were as follows: gasoline, 224,555; kerosene, 36,467; lubricating oil, 6,905.

The manager of the Minnesota Co-op Oil Association, Minneapolis, addressed the meeting and stated that there were now 58 cooperative oil companies in Minnesota.

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SECONDHAND FEED SACKS MAY BE USED SAFELY

In the interests of economy, the Eastern States Farmers' Exchange, Springfield, Mass., has been working on the problem of using secondhand sacks and now announces it has proved conclusively that this can be done with safety. The plan is to fumigate baled sacks with a poison gas by car loads to destroy all bacterial life. This will be done at the Buffalo mill of the Exchange, after the sacks have been inspected, suction cleaned, and baled.

This will mean a big saving to the members. The development of the process and verification of results has required many months of research, a line of work which could not have been undertaken by the farmers without an organization.

The Exchange moved into its new and more commodious office in West Springfield in October, occupying the second floor, while the street floor of the building contains nine stores which rent at present for \$9,000 a year.

Quarters of the Exchange at Buffalo have also been increased by the erection of a new seed house adjoining the feed mill. This seed warehouse is 300 feet long, 42 feet wide and 40 feet high, built of steel, concrete and brick, at a cost of \$125,000. This gives the Exchange track space for loading 22 cars of seed and feed at one time. The rapid expansion of the Certi-Seed service called for the added space and facilities.



BELGIUM HAS LARGE AND IMPORTANT COOPERATIVE

A report submitted by the American Consulate at Brussels, Belgium, describes the Boerenbond Belge, a cooperative association of peasants which is very little known outside of Belgium but is considered an important institution. The Boerenbond is a federation of farmers' societies or local guilds, with headquarters at Louvain. It is closely affiliated with the Catholic Church and the various social and economic activities are directed largely by the priests.

The Boerenbond stresses religious education and the moral and social welfare of its members, also trying to provide enough technical education to enable farmers to conduct their affairs to advantage. Two other branches of work are a bureau of purchase and sale and a central bank.

The affairs of the organization are in the hands of a committee of seven, three of whom are priests and four are laymen. At present two of the laymen are engineers and two are lawyers. The committee is appointed by and under the guidance of a council of 40 prominent citizens from the surrounding districts. Approximately half of the council are priests.

The organization includes only the Flemish speaking part of Belgium, or approximately the northern half of the country. It was founded in a modest way in 1890, and on the occasion of an anniversary in 1926 there were more than 50,000 members present. Eighteen new guilds were formed in 1927, bringing the number at the first of 1928 to 1,184 with 112,918 members. These are active members as anyone who fails to pay his dues promptly is dropped from the rolls. Only the head of a house is enrolled as a member of the guild but the benefits of the guild and the Boerenbond are available to the entire family.

An ambitious educational program is carried on, with instruction in various branches of agriculture, horticulture and animal industry. The Boerenbond arranged 5,103 lectures in 1927, and during the winter of 1927-28 conducted 260 post graduate courses. Publications include a weekly farm journal printed in both Flemish and French, several monthly periodicals, technical manuals, a farm almanac, and a cook book.

Members in good standing may purchase various kinds of supplies through their organization, and may also sell certain products. At present the Boerenbond is handling butter, eggs, vegetables, fruits, and potatoes. There are 166 dairies affiliated with the organization.

The Central bank, the Caisse Centrale de Credit, is a highly important branch of the enterprise. Its deposits in 1927 totaled \$27,054,714. The writer comments: "When the peasants in one of the countries where human labor is most poorly compensated can, in a few years, build a structure of this financial strength, there is afforded a striking example of the power of toilers on the land when their combined efforts are ably directed."



MORTGAGE DID NOT EXCUSE NON DELIVERY

On November 3, 1928, the Supreme Court of Kansas decided the case of the Kansas Wheat Growers' Association v. Leslie, 271 P. 284. In this case, the association brought suit for the recovery of liquidated damages of 25 cents a bushel on account of the failure of the defendant to deliver all of the wheat raised by him during five years to the association. The association lost in the trial court and then appealed. The appellate court reversed the judgment of the trial court because of certain errors committed by it during the trial of the case. In the marketing contract the defendant warranted that he was in a position to control the crops produced by him. Despite this warranty the court permitted the defendant to introduce evidence tending to show that, at the time the contract was signed, there was a mortgage on the wheat for the year 1921. In the admission of the mortgage as evidence, the appellate court said that the trial court erred because "The contract in effect said that there was no incumbrance of any kind against the crop. Leslie was thereby estopped from saying there was a mortgage on the wheat when he signed the contract."

The defendant in the trial court was erroneously allowed to offer evidence to show that the president of the association had told him that he could deliver his wheat to the person holding the mortgage thereon. The appellate court found that the president of the association was not authorized to release the defendant from delivering his wheat thereto. In this connection it should be remembered that the officers of associations have only those powers which have been conferred upon them. The president of an association simply by virtue of his office has no authority except perhaps to act as a presiding officer. The court said that "The mortgage previously executed did not relieve him" of the obligation to deliver his wheat to the association and that "his failure to comply with his contract rendered him liable for the payment of the 25 cents a bushel for wheat not delivered to the plaintiff."

In one year it appeared that the man who threshed the defendant's wheat received and sold a portion thereof to pay the threshing bill. In this connection the court said: "If the wheat was taken to pay the threshing bill without the consent of R. C. Leslie, it would be inequitable for him to be obliged to pay the 25 cents a bushel damages provided for in the contract for failing to deliver that wheat to the plaintiff. If it was taken with his consent, he would be liable, because the wheat should have been delivered to the plaintiff if it had desired such delivery, and because the man who did the threshing should have filed his lien as prescribed by statute."

In the trial court an issue was raised "concerning the ownership of the crops raised in the years 1924 and 1925". The defendant claimed that these crops were raised by his wife. The association claimed the transactions in question were fraudulent and made for the purpose of evading the marketing contract. The appellate court pointed out that there was evidence which would justify a finding for either party and that the question was one of fact for the jury. This is the rule generally.

SUGGESTED READING FOR COOPERATORS, No. 10

"Cooperation at Home and Abroad," by C. R. Fay, Professor of Economic History at the University of Toronto, is a scholarly study of the diverse and complex nature of cooperation as manifested in various lands. It has been called "a standard English work on the theory of the movement." The reader will find that "home" to the author means Great Britain, and "abroad" refers to Continental Europe.

In the course of his reading as a student, in the early years of the present century, Mr. Fay became interested in the cooperative enterprises of his native land, later, through the publications of the International Alliance, he learned of cooperatives of various types and purposes in numerous countries. This led him to wonder what common factors these organizations had, why in any given branch one country differed from another, what relation existed between the different branches in any one country, and similar questions. Search for the answers led him far afield. Finally, for the preparation of his book, he selected seven countries in which the cooperative movement seemed to him most important, and in each of which some peculiar phase of the subject was presented. These countries were: the United Kingdom, Germany, Denmark, Switzerland, France, Belgium, and Italy. In each of these countries he studied the cooperatives personally. Being especially interested in "the living side of economics," he tried always to learn the significance of the society to its members. This point of view gives the book a distinctive character.

The work is in four parts, as follows: Part I. Banks; Part II. Agricultural Societies; Part III. Workers' Societies; Part IV. Stores. Each subject is taken up by countries, and description is combined with analysis throughout.

To most readers of this periodical the section of the book dealing with agricultural societies will be of chief interest. The experiences of people of other lands in forming organizations and conducting their business along cooperative lines, although different in some ways, still present certain similarities and offer constructive suggestions. As a climax to this part of the book the author submits his conclusion that "cooperation is not only a but the corner-stone in the development of modern agriculture."

The book was first published in 1908 by P. S. King & Son, London. In addition to the main text there was also an appendix on international law and a bibliography. A second edition was issued in 1920, the only change being a supplement on "The Progress of Cooperation in the United Kingdom, 1903-1918"; and the third edition came out in 1925 with the addition of another supplement on "Agricultural Cooperation in the Canadian West."

Chastina Gardner

PRICE INFORMATION PUBLISHED BY CANADIAN WHEAT POOLS

"Wheat prices, 1927-28; the Pool and the Grain Trade," is the title of a circular of 12 pages issued by the Canadian Cooperative Wheat Producers, Ltd., Winnipeg. This circular contains charts showing comparisons of prices paid for wheat by pool and non-pool marketing agencies during the 1927-28 marketing season. The quantities of wheat sold each month by the pools and by all agencies, is also shown. Detailed figures relative to the net pool prices for the various grades of wheat in the different provinces are given.

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NEW STUDY OF FARMERS' ELEVATORS AVAILABLE

"The Present Status of Farmer-Owned Grain-Marketing Associations in the United States," is described in some detail in a recent preliminary report by J. F. Booth and W. J. Kuhrt of the Division of Cooperative Marketing. The study is represented in two parts, the first of which covers the farmers' elevator associations and gives data on their organization features, their financial investments, volume of business, operating practices, present financial condition, and reasons for success or failure. The various State and National farmers' elevator associations are also described briefly.

The second part of the report deals with the large-scale grain-marketing associations, including farmer-owned line elevator associations, the cooperative grain sales agencies, and the wheat pools.

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STUDY OF RELATIONS BETWEEN PRODUCERS AND CONSUMERS

A new English book by Margaret Digby, bears the title, "Producers and Consumers: A study in Cooperative Relations." This study of relations between producers' and consumers' cooperatives was initiated by the Horace Plunkett Foundation, in response to a demand for information, and also with "a desire to make a substantial contribution to the development of economic theory. . . ."

The field was new and the author spent much time and effort collecting and collating information regarding the interrelations of various enterprises. Data from only a limited number of specimen cases could be included in one book. This is said to be "intentionally a presentation of material rather than reflection," yet the last chapter contains some reflections, including the following: "The ultimate purpose of cooperation is to prevent the wastage of social wealth by misdistribution. The more completely it can organize itself, the more completely will this purpose be achieved, and inter-trading is a step in the direction of complete organization."



REPORTED BY THE ASSOCIATIONS

Another thousand car loads of oranges will be marketed the coming season through the California Fruit Growers Exchange, Los Angeles, as the owners of groves producing approximately that quantity of fruit have recently become affiliated with the organization.

A new motion picture under preparation by the Colorado Bean Growers' Association, Denver, will tell the story of the pinto bean from the time when it was discovered among the Indians, who undoubtedly used it in their ceremonial rites, to the present day when it is grown for food and marketed through an organization formed for that special purpose.

The Cotton Growers' Supply Company, Raleigh, N. C., a subsidiary of the North Carolina Cotton Growers' Cooperative Association, has sold several thousand bushels of pedigreed cotton seed and orders are still coming in. Its next step is to be that of handling fertilizers and the field men are making a preliminary canvass to secure an estimate of the probable tonnage, as a basis for negotiations with fertilizer companies.

In order to meet an insistent demand, one of the Farmers' Equity Union organizations is planning to establish bulk stations for gasoline, kerosene and lubercating oils, at points tributary to Kansas City. Arrangements have been completed for the exclusive right to handle a particular brand of oils. The management believes that in taking this step it will render a valuable service to members of many Equity enterprises.

Florida citrus growers get one-half of each dollar received in the state as payment for oranges and grapefruit, according to a recent estimate by the secretary of the Florida Citrus Exchange, Tampa and the State Market Commission. The items in the estimate are as follows: orchard expense, 15.75 cents; picking and hauling, 4.50 cents; packing material, 9.25 cents; packing expense, 9.25 cents; advertising and selling, 5 cents; transportation in Florida, 6.25 cents; net to grower, 50 cents; total, \$1.00.

Prize essay contests have extended to the Far East. Such a contest is announced for South India, including Madras Presidency, Mysore, Travancore, and Cochin. The somewhat lengthy essay subject is as follows: "How the Cooperative Movement, combined with the issue of a sound paper currency based not on Gold and Silver, but on organized reliable Labour and the assets which that labour will create, will provide plenty and employment for all and unify India." Prizes are offered by a gentleman who is especially interested in the poor people of India.



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